LEAN LEADER COACHING PROGRAM

October 2019

Unclassified

AGENDA

- Who are we?
- Background- What problem are we trying to solve?
- Results
- Overview of the program
- Lessons Learned
- Recommended Plan of Action
- Q&A

WHO WE ARE

Judith Henderson

- Financial Services
- Operational Excellence

Deb Schaal

- Lean and Operational Excellence
- Other industries: Research, Healthcare, Retail

Unclassified

FARMERS LIFE

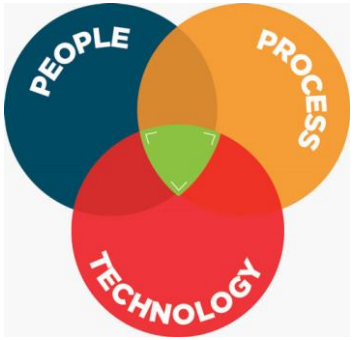
Farmers New World Life Insurance Company to helps protect the financial security of their loved ones, the continuity of their businesses, and the stability of their retirement incomes.

Founded in 1910 as the Roman Catholic Life Insurance Company of America, the company renamed itself the New World Life Insurance Company. Farmers then purchased a majority ownership in the company in 1953. As the country grew, so did Farmers. Our strength helped us serve families through two World Wars, the Great Depression, and generations of growth and change. Today we are honored to serve more than **1.5 million life customers**, and provide more than **$200 billion of life insurance coverage** to help them protect their dreams for their families and businesses.

Farmers New World Life Insurance Company is a subsidiary of **Zurich Insurance Group**. We are proud to be associated with Farmers Insurance Group of Companies®, one of the nation's largest insurance groups, providing home, auto, business, life insurance, annuities, and financial services.

BACKGROUND

What problem are we trying to solve?



Our mission is to take care of our customers, agents, and one another. Providing peace of mind when loss occurs.

To continue to achieve our mission, we recognized the need to transform how we work, focusing on customer value and quality as a cornerstone.

And, we needed to model the thinking and behaviors we are asking every team member to demonstrate.

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BUSINESS RESULTS

Results in the last year

- Implemented a **Standard Executive Calendar** and **Meeting Standards**
- Implemented **Daily Executive Huddle** and **Daily Huddles** throughout the organization
- **20%** Reduction in new business cycle time (issuing policies faster)
- **82%** Improvement in employee NPS scores (improving overall engagement)
- **100%** Backlog reduction in reinsurance claims payments (positive impact to bottom line)
- **31%** Backlog reduction in claims (making our mission real)
- **218** Completed kaizens (creating more problem solvers)
- **21, 329** Hours saved (focus on value-add activities)
- **$1.2 Million** Cost avoidance (need we say more)

and

- Created a company **Vision, Mission, Guiding Principles** and **5 year strategy** that includes implementing a **Lean Management System**

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FARMERS LIFE STRATEGY

Our 5 Year Strategy includes a Lean Management System as a Foundation

Create a Sustainable Culture of **Enterprise Excellence**

Sustainable:

Ideal results are created and delivered in a way that is capable of being repeated over and over for the long term

Culture:

Observed in learned and demonstrated behavioral patterns of people in an organization

Enterprise:

Entire scope of Farmers Life; from top to bottom and side to side.

Excellence:

Create results that are recognized by customers as maximizing the creation of value to them and provides fair value for all other stakeholders

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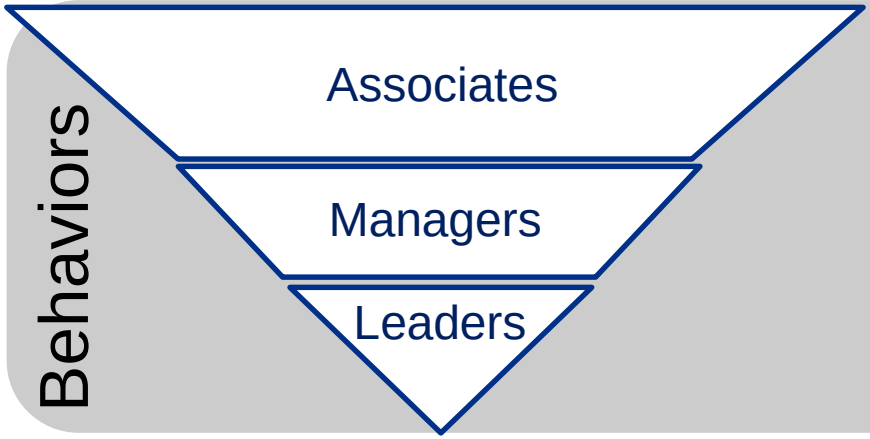
Farmers Life Lean Management System

Principles

A set of fundamental truths of a way of working

Behaviors



Behaviors that we expect to drive sustainable excellence

Systems

A comprehensive network of tools that are highly integrated to accomplish a shared outcome

Tools

Enable systems to structure work in such a way that they guide the actions that are in harmony with the correct principles

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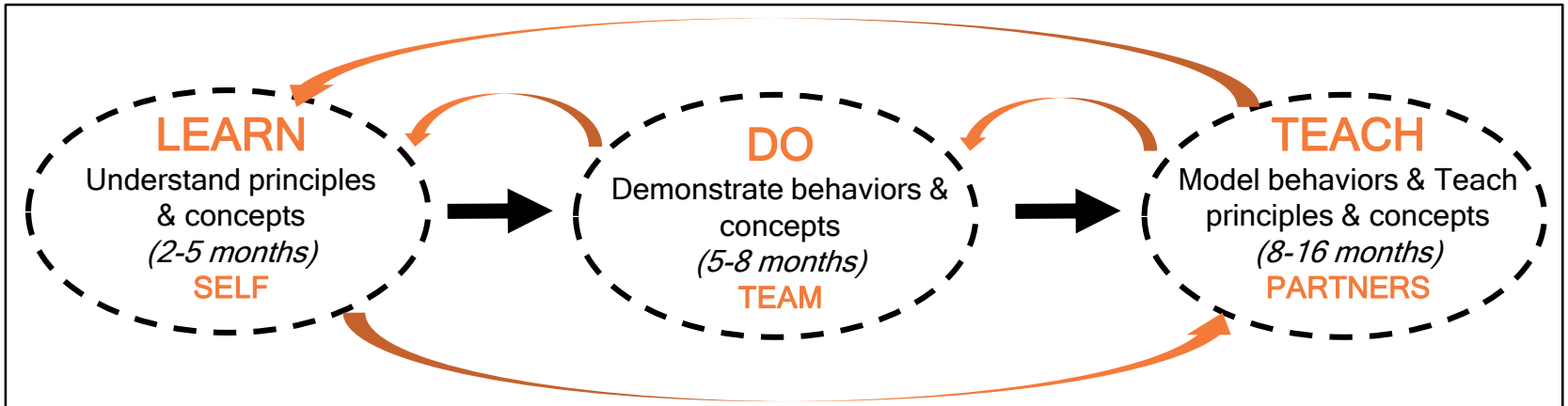
LEAN LEADER COACHING FRAMEWORK



• Baseline and Understanding of Current Condition
• Establish Learning Roadmap
• Understanding of key concepts and principles
• Practical Application- Waste Elimination
• Identify practical application of Strategy Deployment or Daily Management and Problem(s)
	• Mid-Point Behavior and Concept Measurement, Manager Assessment
	• Practical Application
	  • Strategy Deployment or Daily Management
	  • Scientific Problem Solving
	• Deepen understanding of principles and concepts
	• Model behaviors to team
		• Final Behavior and Concept Measurement
		• Complete Practical Application and identify new areas of improvement
		  • Strategy Deployment or Daily Management
		  • Scientific Problem Solving
		• Teach key concepts
		• Coach others and model key behaviors

Measures:

		Current Condition	Target Condition
1.	Behavior	Baseline	3 assessments complete
2.	Concepts	Baseline	50% increase over gap
3.	Practical Application	0 Projects Complete	3 Projects Complete
4.	Manager Assessment	0 Assessments	3 assessments approved

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BEHAVIORS

Principles Based Behavior 360 Survey

	Farmers Life Guiding Principles					
Role	**Put customers first**	**Fuel innovation**	**Provide clear direction**	**Make it happen**	**Learn, develop & Continuously improve**	**Make long term decisions**
Leaders	Focuses on delivering value to our customers by evaluating the flow of the end to end value stream	Fosters a learning culture that includes a test and learn approach and gaining perspectives from outside our company and industry	Coaches and empowers those closest to the work to make decisions	Removes obstacles for the organization and holds self and team accountable for delivery	Focuses on growing people by coaching through asking questions and empowering them to solve their own problems	Has a clear sense of purpose and balances short term decisions with awareness of long term impact
Managers	Manages the flow of value to the customer and makes it visible to expose problems	Creates a safe environment for team to challenge the status quo	Makes sure that standards are clearly defined so that every person knows what 'good' is and we have a basis for continuous improvement	High awareness of the need for change and place high value on getting things done.	Creates time for self and team to stop, reflect and use learnings to improve	Demonstrates getting quality right the first time through stopping to fix problems, root cause questioning and not jumping to solution.
Associates/ Everyone	Performs decisions based on what is ultimately in the best interest of the customers	Shares ideas for improvement	Communicates regularly and often, especially when direction is unclear	Has a sense of urgency and takes action	Committed to making a personal change and ask for and incorporate feedback.	Uses data to inform decisions and takes corrective action

Survey:

- Baseline: > 5 people
  - Self, Manager, > 2 Peers, > 3 Team
- Midpoint: > 10 people
- Final: > 15 people

Goal: 3 completed assessments

Customized Survey questions based on role:

- **Leaders**: All Leader + Associates questions = 12 questions
- **Managers**: All Manager + Associates questions = 12 questions
- **Associates**: Associate questions = 6 questions
- **Unclear Role**: All Associate Questions + appropriate Manager and Leader questions = variable # of questions

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CONCEPTS AND TOOLS

Learning Roadmap customized to aid leader in solving key business problems

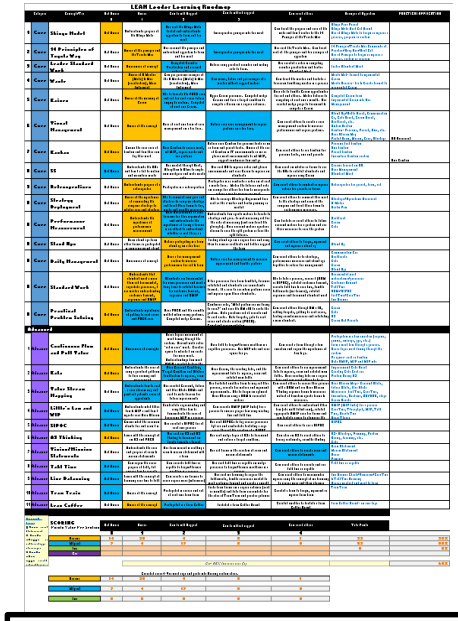
16 Core Tools

	Category	Concept/Tool
1	Core	FNWL Guiding Principles
2	Core	Shingo Model
3	Core	14 Principles of Toyota Way
4	Core	Leader Standard Work
5	Core	Waste
6	Core	Kaizen
7	Core	Visual Management
8	Core	Kanban
9	Core	5S
10	Core	Retrospectives
11	Core	Strategy Deployment
12	Core	Performance Measurement
13	Core	Stand Ups
14	Core	Daily Management
15	Core	Standard Work
16	Core	Practical Problem Solving

11 Advanced Tools

	Advanced	
1	Advanced	Continuous Flow and Pull Value
2	Advanced	Kata
3	Advanced	Value Stream Mapping
4	Advanced	Little's Law and WIP
5	Advanced	SIPOC
6	Advanced	A3 Thinking
7	Advanced	Vision/Mission Statements
8	Advanced	Takt Time
9	Advanced	Line Balancing
10	Advanced	Team Train
11	Advanced	Lean Coffee

27 Total Tools



Learning Roadmap

- Baseline results guide learning roadmap
- **Scoring levels:** 0 (not aware), 1 (aware), 2 (can do with support), 3 (can do without support), 4 (can coach others)
- Core tools scored 2x that of advanced tools
- **Goal:** 50% improvement of gap over baseline

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PRACTICAL APPLICATION

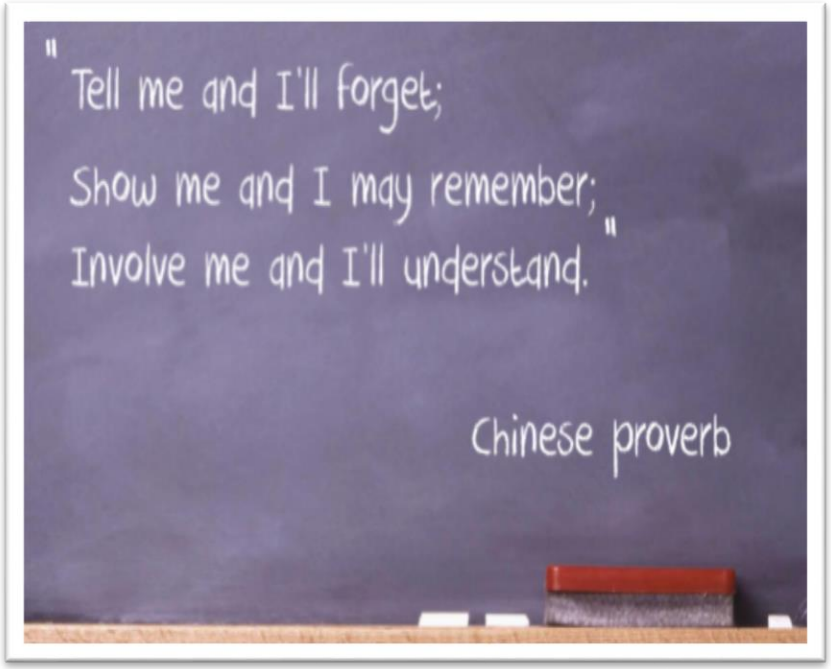
Strive to get to practical application as quick as possible

- **Focus on problems leader is currently working to solve and utilize Lean tools and concepts to solve**
- **Focus on helping the leader meet their current goals and objectives**

Examples:

- **Utilized a Calendar Prioritization tool to help numerous leaders save > 4 hours weekly**
- **Established daily huddles to build team trust, increase speed of decision making, identify obstacles and achieve lead time goals**
- **Created an Email Kanban to reduce email inbox volume and increase speed of response**
- **Created company Vision, Mission, Guiding Principles and 5 year strategy**

Goal: Completion of at least 3 projects with measurable results



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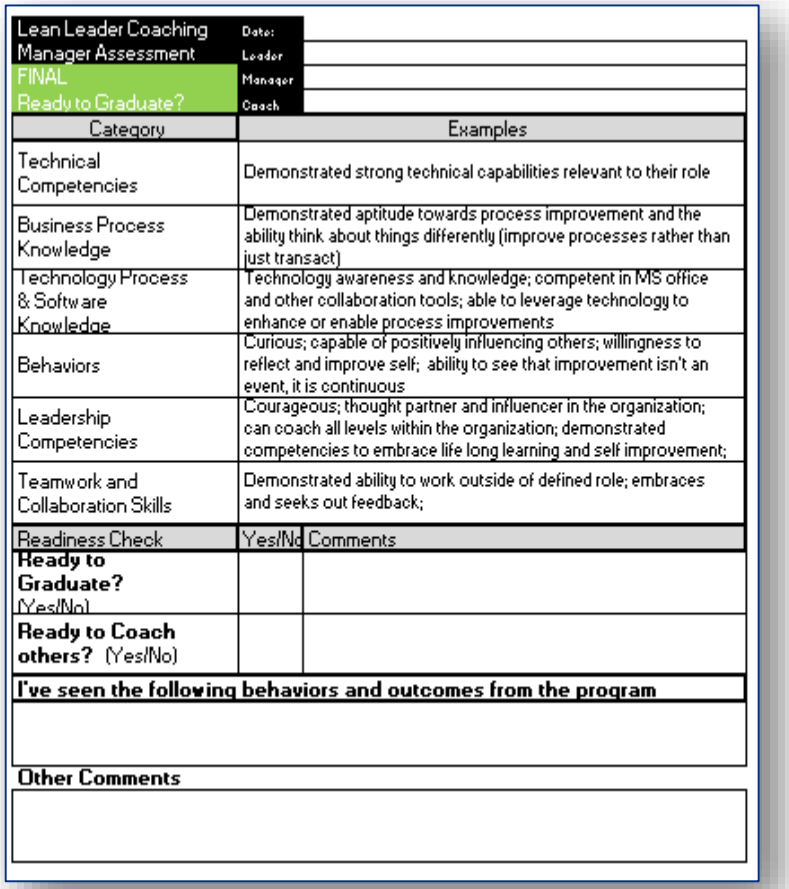
MANAGER ASSESSMENT

Formal check in with Manager- before, during and after

- **Participants are ambassadors to the coaching program and the principles.**
- **If the manager doesn't feel completely confident in capability in all of the categories, the coaching engagement goes to Hold or Cancel.**
- **If the manager changes for a participant, an assessment needs to be completed within 30 days of that change.**
- **It is the responsibility of the manager to discuss the results of this assessment with the participant.**
- **Hold: If participant is placed on hold, there is an expectation that they will continue the program within 3 months (depending on coach availability). Check In meeting scheduled at 2 months.**
- **Cancel: No expectation for participant to continue the program within the next 3 months.**



Lean Leader Coaching Manager Assessment FINAL Ready to Graduate?	Date: / Leader / Manager / Coach	
Category	Examples	
Technical Competencies	Demonstrated strong technical capabilities relevant to their role	
Business Process Knowledge	Demonstrated aptitude towards process improvement and the ability think about things differently (improve processes rather than just transact)	
Technology Process & Software Knowledge	Technology awareness and knowledge; competent in MS office and other collaboration tools; able to leverage technology to enhance or enable process improvements	
Behaviors	Curious; capable of positively influencing others; willingness to reflect and improve self; ability to see that improvement isn't an event, it is continuous	
Leadership Competencies	Courageous; thought partner and influencer in the organization; can coach all levels within the organization; demonstrated competencies to embrace life long learning and self improvement;	
Teamwork and Collaboration Skills	Demonstrated ability to work outside of defined role; embraces and seeks out feedback;	
Readiness Check	Yes/No	Comments
Ready to Graduate? (Yes/No)		
Ready to Coach others? (Yes/No)		
I've seen the following behaviors and outcomes from the program		
Other Comments		

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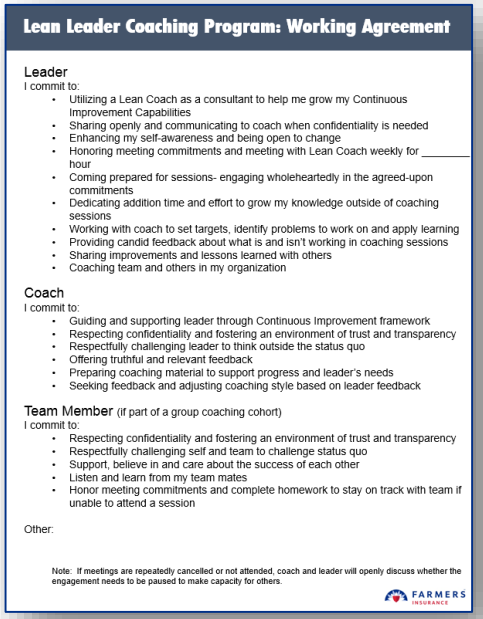
COACHING APPROACH

Tailored to meet the leader where they are from Novice to Expert.

- 1:1 Executive Style Coaching with dedicated coach
- Strengths Based
- Working Agreement established to set expectations
- Coach dedicated to success of leader not just to complete the program, but also in their career.
- Typically 1 hour weekly sessions – aim to meet @ least 3 times monthly
- In person or via video conference – both work great
- Dedicated OneNote for participant
- Access to all Operational Excellence material
- Access to Operational Excellence team for facilitation support as needed (setting up stand ups, team building, strategy sessions, etc.) and technical support as needed
- Customized coaching based on participant learning style with material available for practical application, training material, readings, and videos



Lean Leader Coaching Program: Working Agreement

Leader
I commit to:
- Utilizing a Lean Coach as a consultant to help me grow my Continuous Improvement Capabilities
- Sharing openly and communicating to coach when confidentiality is needed
- Enhancing my self-awareness and being open to change
- Honoring meeting commitments and meeting with Lean Coach weekly for _____ hour
- Coming prepared for sessions- engaging wholeheartedly in the agreed-upon commitments
- Dedicating addition time and effort to grow my knowledge outside of coaching sessions
- Working with coach to set targets, identify problems to work on and apply learning
- Providing candid feedback about what is and isn't working in coaching sessions
- Sharing improvements and lessons learned with others
- Coaching team and others in my organization

Coach
I commit to:
- Guiding and supporting leader through Continuous Improvement framework
- Respecting confidentiality and fostering an environment of trust and transparency
- Respectfully challenging leader to think outside the status quo
- Offering truthful and relevant feedback
- Preparing coaching material to support progress and leader's needs
- Seeking feedback and adjusting coaching style based on leader feedback

Team Member (If part of a group coaching cohort)
I commit to:
- Respecting confidentiality and fostering an environment of trust and transparency
- Respectfully challenging self and team to challenge status quo
- Support, believe in and care about the success of each other
- Listen and learn from my team mates
- Honor meeting commitments and complete homework to stay on track with team if unable to attend a session

Other:

Note: If meetings are repeatedly cancelled or not attended, coach and leader will openly discuss whether the engagement needs to be paused to make capacity for others.

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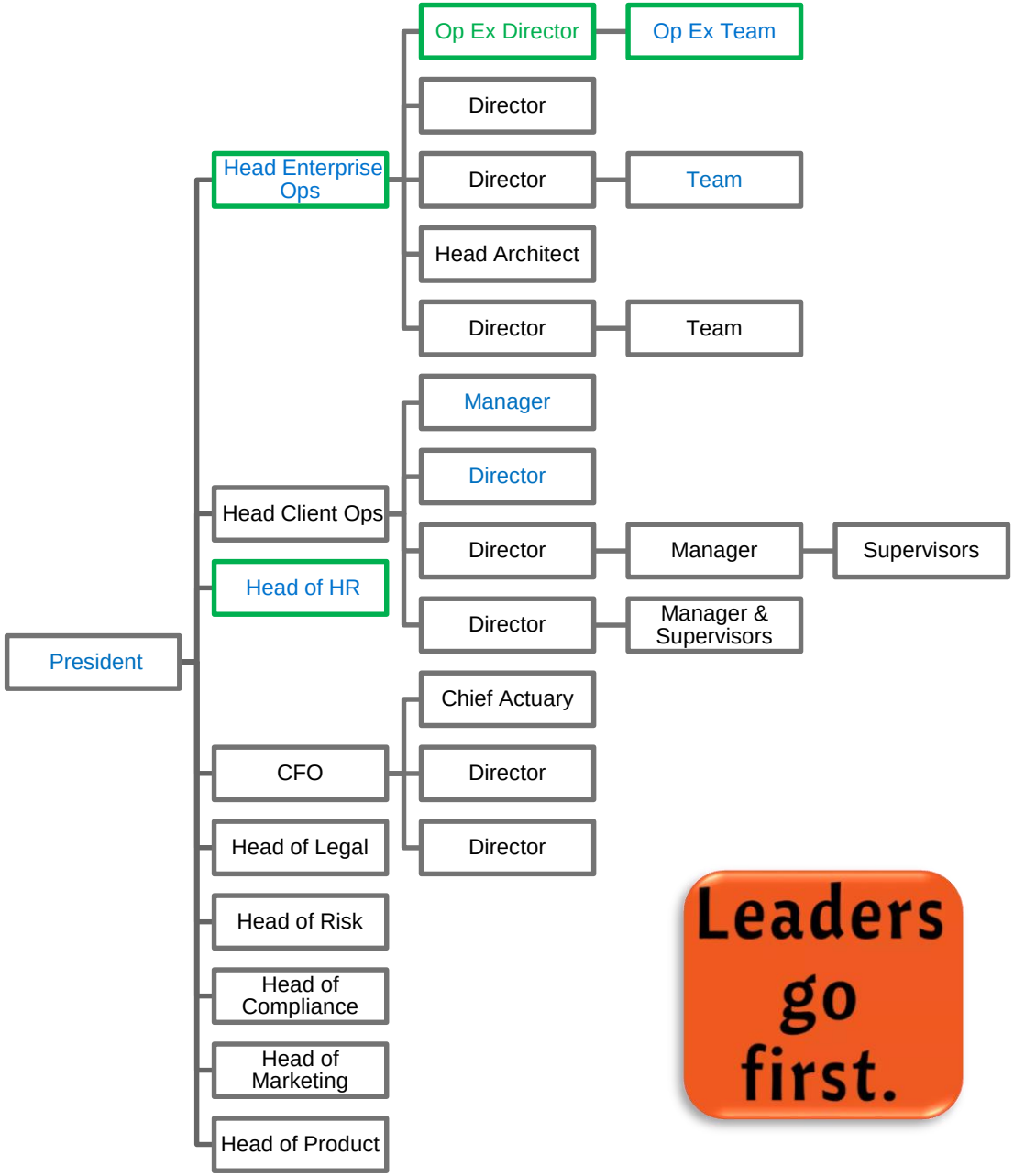
WHO IS PARTICIPATING?

Piloted first and then started at the top

Current Participants:

- 6 Coaches
- 12 Graduates
- 31 In Progress

Leadership Level (N-	Count	% Participating
0	1	**100%**
1	9	**100%**
2	26	**54%**
3	65	**12%**
A	431	**3%**
Total	532	**8%**



Leaders go first.

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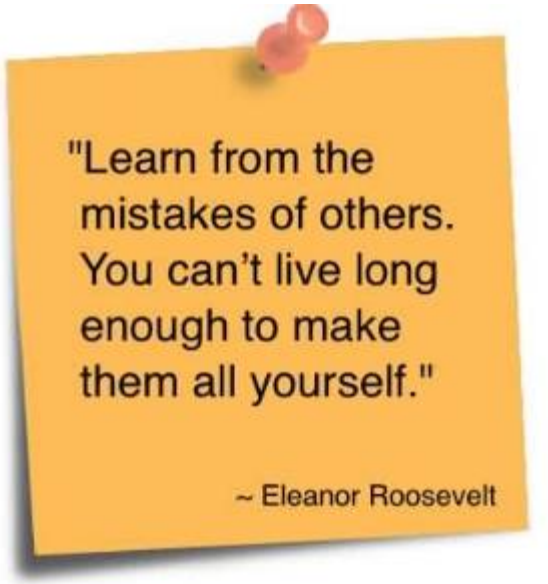
LESSONS LEARNED

- Start at the top
- Manager involvement is key
- Understanding business outcomes before you start is important
- Focus on pull, not push
- Good is good enough to get going
- Actions speak louder than words
- Analytical support
- Data Management support
- Partnership with administrative team
- Partnership with HR
- Add value immediately
- Don't assume



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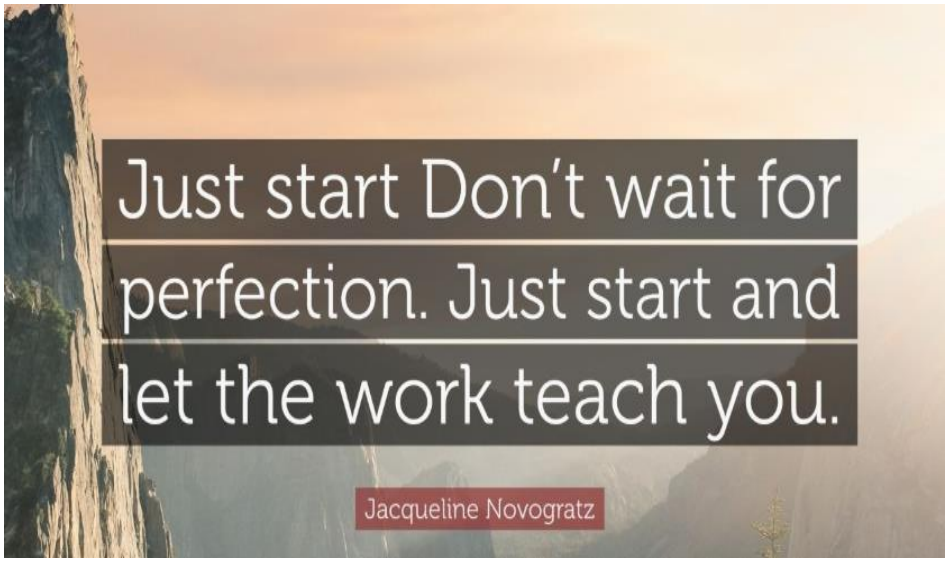
RECOMMENDED PLAN OF ACTION

- Start at the top- as high as you can
- Clarify between coaching and teaching
- Start small (pilot)
- Tie to business strategy
- Don't worry about content, build as you go
- Make it measurable
- Let it grow organically
- Be patient
- Don't give up

- ….. Just start



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